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FIFTH ANNUAL REPORT

OF THE

Maryland Racing Commission

TO

THE GOVERNOR OF MARYLAND

1924

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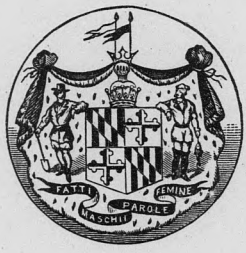

1924

MARYLAND RACING COMMISSION

BOARD

JAMES A. LATANE, *Chairman*
JERVIS SPENCER, JR.
JOHN F. MUDD

STAFF

James F. Hayward	Secretary
Nannie C. Kreis	Stenographer
Carlos M. de Garmendia	Judge-at-Large
John E. Charshee	Auditor
Wm. Bradley Carr	General Inspector
Thomas A. Berney	Inspector
Joseph Kelley	Inspector
John P. Nixon	Inspector

FIFTH ANNUAL REPORT

OF THE

MARYLAND RACING COMMISSION

To His Excellency, Albert C. Ritchie,
Governor of Maryland:

The Maryland Racing Commission respectfully submits herewith its Annual Report for the year 1924:

Racing in the State during the past season was conducted on the highest plane. The races were keenly contested, and the spectators were afforded numerous opportunities of observing the performances of many of the best horses in training. The spirit of fairness and good sportsmanship prevailed in the contests, and the participants took their success or failure in the same spirit.

The meetings were well attended throughout, and even on the days when the attendance was the largest, there was no disorder. The race-going public, in our judgment, compares most favorably with any large gathering of people.

The officials of each racing association have at all times cheerfully co-operated with the Commission, and we feel that they are deserving of the highest praise for the successful results that have been accomplished.

The county fairs, which have become a valuable asset to the State, enjoyed a successful season, and each year are doing more and more to benefit and promote the agricultural and breeding industries of the State. Racing constitutes an important event at each of the fairs, and the Commission is constantly seeking to improve the conditions under which it is conducted.

There is attached hereto an account of the Receipts and Disbursements of the Commission, and an account of the Receipts and Disbursements during the year of the four licensees of the Commission operating one-mile tracks.

Respectfully submitted,

JAS. A. LATANE,
JERVIS SPENCER, JR.,
JOHN F. MUDD.

STATEMENT OF MARYLAND RACING COMMISSION

(For Year 1924)

RECEIPTS.

County Fairs, 44 days' racing @ $50 per day		$2,200.00
Harford Agricultural and Breeders' Association, 23 days' racing @ $6,000 per day	$138,000.00	
15 per cent. of net revenue	39,622.36	
		177,622.36
Maryland State Fair, Inc., 23 days' racing @ $6,000 per day	$138,000.00	
15 per cent of. net revenue	58,706.65	
		196,706.65
Maryland Jockey Club of Baltimore City, 23 days' racing @ $6,000 per day	$138,000.00	
Account of Baltimore County, $3,000 per day	69,000.00	
15 per cent. of net revenue	49,025.37	
		256,025.37
Southern Maryland Agricultural Assn., 23 days' racing @ $6,000 per day	$138,000.00	
15 per cent. of net revenue	22,557.41	
		160,557.41
License Fees, Trainers and Jockeys		1,316.00
Interest on Money on Deposit		4,381.50
Reserved from 1923 Revenue for 1924 Expenses		10,000.00
Total Receipts		$808,809.29

DISBURSEMENTS.

Commission's Salary		$9,191.66
Office Salaries		5,160.00
Salaries and Expenses of Commission's Employes for County Fairs		2,083.88
Premiums on Chairman's and Commissioners' Fidelity Bonds		1,305.47
Automobile and Train Hire		1,498.75
Travel and Miscellaneous Expense for Commission and Employes		591.22
Office Expense (Miscellaneous)		304.32
Office Supplies		65.09
Telephone		96.10
Rent of Offices		1,950.00
Paid to County Treasurers		2,200.00
Paid to Treasurer of Baltimore County,		
June 29, 1924	$33,000.00	
December 29, 1924	36,000.00	
		69,000.00
Paid to Treasurer of State,		
June 29, 1924	$192,551.39	
December 29, 1924	512,811.41	
		705,362.80
Reserved from 1924 Income for 1925 Expenses		10,000.00
Total Disbursements		$808,809.29

HARFORD AGRICULTURAL AND BREEDERS' ASSN., INC.

Statement of Net Revenue Taxable by the Maryland Racing Commission for the Year Ended October 31, 1924.

REVENUE.

Admissions:		
General	$196,314.00	
Club House	16,415.00	
Boxes	2,364.50	
Membership Dues	1,840.00	
Pari-Mutuels:		
Commissions	583,202.10	
Breakage	109,323.55	
Programs—Net	6,857.46	
Concessions	10,450.00	
Interest Received on Liberty Loan Bonds.	850.00	
Lead to Post	10.00	
Total		$927,626.61

EXPENSES.

State License, 23 days @ $6,000 per day	$138,000.00	
Stakes and Purses	258,200.00	
Pari-Mutuel Expenses:		
Salaries and Wages Paid	89,912.20	
Stationery and Printing	10,122.16	
Cash Shortage	842.35	
Miscellaneous	1,031.75	
Salaries and Wages Paid to Racing Officials and Employes	27,969.00	
Salaries Paid to Regular Track Employes	14,656.00	
Officers' Salaries, Directors' Compensation, and Legal Fees, etc	29,500.00	
Wages Paid Temporary Track Employes.	8,470.40	
Tools and Supplies	2,765.92	
Stationery, Printing and Postage	5,039.31	

Music	1,775.32	
Services of Pinkerton National Detective Agency	12,342.69	
Heat, Light and Water	1,816.80	
Advertising and Publicity Service	16,766.14	
Ambulance and Hospital Service	1,660.00	
Team Hire and Expense	2,366.00	
Telephone and Telegraph	860.92	
Professional Services Other Than Legal	1,075.08	
Insurance Premiums Paid	9,540.76	
Taxes Paid Other Than Federal Income Tax	6,928.32	
Rent Paid	450.00	
Donations	675.00	
Miscellaneous	1,043.90	
Total		$643,810.02

Net taxable revenue for the year before, deducting cost of property additions and repairs		$283,816.59
Cost of Property Additions and Repairs:		
New Equipment	$4,010.54	
Repairs	28,011.47	
		32,022.01
Net taxable revenue for the year after deducting cost of property additions and repairs		251,794.58
Add Pari-Mutuel tickets outstanding, applicable to spring and fall meetings, 1921, now credited to surplus		8,343.95
Total Net Revenue Taxable by Commission		$260,138.53

CERTIFICATE.

We have made an examination of the books and accounts of the Harford Agricultural and Breeders' Association, Incorporated, for the year ended October 31, 1924, and, subject to the allowance by the Commission of the amounts included in the above statement as cost of property additions and repairs, and to the fact that no provision has been made in the above statement for Federal income tax paid or accrued.

WE HEREBY CERTIFY that, in our opinion, the above statement of net revenue taxable by the Maryland Racing Commission for the year ended October 31, 1924, is correct.

(Signed) HASKINS & SELLS.

Baltimore, December 8, 1924.

Net revenue as shown in the above statement after new construction and equipment should not have had deducted $4,010.54, as more than this amount was in the Building Fund at the beginning of the year and which should be exhausted for these improvements before using 1924 income. Therefore, net income on which 15 per cent. is calculated should be $264,149.07.

DISTRIBUTION OF NET REVENUE.

State Tax of 15 per cent. on Net Revenue	$39,622.36
Federal income and profits tax for 1924	When ascertained.
Applicable as Dividend to Stockholders (10 per cent. on Capital)	$110,392.22
Set aside for Building Fund	Balance of Net Revenue after above payments.

MARYLAND STATE FAIR, INCORPORATED.

Statement of Net Revenue Taxable by the Maryland Racing Commission for the Period From November 1, 1923, to November 1, 1924.

(Race Meeting, October 7 to November 1, 1924)

REVENUE.

Admissions:		
General	$234,597.00	
Club House	14,620.00	
Paddock Exchange	7,033.50	
Boxes	3,010.00	
Membership Dues	14,275.00	
Pari-Mutuels:		
Commissions	643,662.65	
Breakage	126,437.90	
Programs—Net	11,766.60	
Concessions	9,203.00	
Interest Earned:		
Loans—Net	20,941.65	
Bank Balances	4,252.66	
Leads to Post	60.00	
Rental of Cottage	75.00	
Total		$1,089,934.96

EXPENSES.

State License, 23 days @ $6,000 per day	$138,000.00	
Stakes and Purses	308,235.00	
Pari-Mutuel Expenses:		
Salaries and Wages Paid	80,170.00	
Stationery and Printing	15,561.01	
Insurance of Money	1,728.00	
Repairs	317.25	
Cash Shortage	1,628.66	
Miscellaneous	118.25	
Salaries and Wages paid to Racing Officials and Employes	41,412.00	
Officers' Salaries and Legal Fees	27,653.60	
Wages paid to Regular Track Employes	17,783.90	
Office Salaries	2,051.65	
Stationery and Printing	3,552.92	
Services of Pinkerton National Detective Agency	2,511.74	
Music	2,480.00	

Water, Heat and Light	1,472.34	
Advertising and Publicity Service	8,296.35	
Ambulance Service	495.00	
Automobile Expenses	549.78	
Telephone and Telegraph	334.14	
Carfare and Expenses of Officers and Employes	3,264.80	
Insurance Premiums—Net	17,503.21	
Taxes Paid, other than Federal Income Tax	21,547.87	
Donations	3,875.00	
Other Professional Services	618.86	
Office Rent and Clerk Hire, New York	3,000.00	
Miscellaneous	4,488.09	
Total		$708,649.42
Net taxable revenue for the period before deducting cost of property additions and repairs		$381,285.54
Cost of Property Additions and Repairs:		
New Road, Kitchens, Stables, Horses, Stable Equipment, etc	$81,985.20	
Repairs	2,421.84	
Total		84,407.04
Net taxable revenue for the period after deducting cost of property additions and repairs		$296,878.50
Credits to Surplus:		
Pari-Mutuel tickets outstanding applicable to 1921 meeting	$8,939.00	
Pari-Mutuel shortage of 1923 meeting recovered	1,575.00	
Total		10,514.00
Total Net Revenue Taxable by Commission		$307,392.50

CERTIFICATE.

We have made an examination of the books and accounts of the Maryland State Fair, Incorporated, for the period from November 1, 1923, to November 1, 1924, and, subject to the allowance by the Commission of the amounts included in the above statement as cost of property additions and repairs, and to the fact that no provision has been made in the above statement for Federal income tax paid or accrued.

WE HEREBY CERTIFY that, in our opinion, the above statement of net revenue taxable by the Maryland Racing Commission for the period from November 1, 1923, to November 1, 1924, is correct.

(Signed) HASKINS & SELLS.

Baltimore, December 8, 1924.

Net revenue as shown in the above statement after new construction and equipment should not have had deducted $81,985.20, as more than this amount was in the Building Fund at the beginning of the year and which should be exhausted for these improvements before using 1924 income, and in addition the following item has not been allowed as an expense:

Donations $2,000.00

Therefore, net income on which 15 per cent. is calculated should be $391,377.70.

DISTRIBUTION OF NET REVENUE.

State Tax of 15 per cent. on Net Revenue	$58,706.65
Federal income and profits tax for 1924	When ascertained.
Applicable as Dividend to Stockholders (10 per cent. on Capital)	$107,931.74
Set aside for Building Fund	Balance of Net Revenue after above payments.

MARYLAND JOCKEY CLUB OF BALTIMORE CITY.

Statement of Net Revenue Taxable by the Maryland Racing Commission for the Year Ended November 30, 1924.

REVENUE.

Admissions:		
General	$342,181.80	
Club House	18,490.00	
Paddock Exchange	9,319.50	
Boxes	10,275.53	
Membership Dues and Initiation Fees	23,870.00	
Pari-Mutuels:		
Commissions	791,445.70	
Breakage	142,086.65	
Programs—Net	14,519.66	
Concessions	1,935.00	
Profit from Operation of Restaurant and Catering Service—Net	11,332.77	
Leading Horses to Post	30.00	
Interest Received:		
Bank Balances	13,494.27	
Loans	120.02	
Bonds and Notes	3,925.00	
Rentals	375.00	
Miscellaneous	303.10	
Total		$1,383,704.00

EXPENSES.

State License, 23 days @ $6,000 per day	$138,000.00	
Baltimore County License, 23 days @ $3,000 per day	69,000.00	
Stakes and Purses	434,271.00	
Awards to Trainers of Winning Horses	10,500.00	
Pari-Mutuel Expenses:		
Salaries and Wages Paid	118,886.00	
Stationery and Printing	24,337.04	

Rent of Safe Deposit Box for Tickets	100.00	
Salaries and Wages Paid to Racing Officials and Employes	52,975.19	
Officers' Salaries, Directors' Compensation, and Legal Fees	27,400.04	
Wages paid to Regular Track Employes	36,257.52	
Office Salaries	10,615.40	
Rent of Track Property, including Amortization of Cost of Lease Renewal	28,100.00	
Stationery and Printing	6,139.15	
Music	2,553.00	
Services of Pinkerton National Detective Agency	2,230.87	
Water, Heat and Light	3,145.18	
Advertising and Publicity Service	14,337.71	
Ambulance Service	345.00	
Auto Hire	894.50	
Telephone and Telegraph	367.35	
Insurance Premiums Paid—Net	26,542.41	
Taxes Paid, other than Federal Income Tax	11,421.84	
Professional Auditing, Tax Accounting and Architect's Services	1,025.54	
Cash, "Over and Short" Account	481.99	
Rent of Office	1,800.00	
Tools and Supplies	696.31	
Donations	1,050.00	
Miscellaneous	5,644.15	
Total		$1,029,117.19

Net taxable revenue for the year before, deducting cost of property additions and repairs		$354,586.81
Cost of Property Additions and Repairs:		
Land, Buildings, Track Improvements and Equipment	$111,455.76	
Repairs	19,182.59	
		130,638.35
Net taxable revenue for the year after deducting cost of property additions and repairs		223,948.46
Add Pari-Mutuel Tickets Outstanding, Applicable to 1921 Meetings:		
Spring	$5,279.40	
Fall	6,175.25	
Total	$11,454.65	
Less adjustment of outstanding tickets of various meetings	1,263.88	
		10,190.77
Total Net Revenue Taxable by Commission		$234,139.23

CERTIFICATE.

We have made an examination of the books and accounts of the Maryland Jockey Club of Baltimore City for the year ended November 30, 1924, and, subject to the allowance by the Commission of the amounts included in the above statement as cost of property additions and repairs, and to the fact that no provisoin has bene made in the above statement for Federal income tax paid or accrued.

WE HEREBY CERTIFY that, in our opinion, the above statement of net revenue taxable by the Maryland Racing Commission for the year ended November 30, 1924, is correct.

(Signed) HASKINS & SELLS.

Baltimore, December 16, 1924.

Net revenue as shown in the above statement, after new construction and equipment, should not have had deducted $92,696.58 of this amount, as this much was in the Building Fund at the beginning of the year, and which should have been exhausted for these improvements before using 1924 income. Therefore, net income on which 15 per cent. is calculated should be $326,835.81.

DISTRIBUTION OF NET REVENUE.

State Tax of 15 per cent. on net revenue	$49,025.37
Federal income and profits tax for 1924	When ascertained.
Applicable as Dividend to Stockholders (10 per cent. on Capital	$103,662.77
Set aside for Building Fund	Balance of Net Revenue after above payments.

SOUTHERN MARYLAND AGRICULTURAL ASSOCIATION.

Statement of Net Revenue Taxable by the Maryland Racing Commission for the Period From December 8, 1923, to December 6, 1924.

REVENUE.

Admissions:		
General	$169,653.10	
Club House	8,410.50	
Paddock Exchange	5,801.00	
Boxes	2,408.00	
Pari-Mutuels:		
Commissions	543,170.90	
Breakage	93,565.85	
Programs—Net	9,835.15	
Leads to Post	20.00	
Concessions	5,018.50	
Interest on Bank Balances	616.68	
Interest on Loan to John Farrell, Jr., Treasurer	1,824.51	
Total		$840,324.19

EXPENSES.

(Including Amounts Allowable by the Commission as Officers' Salaries and Legal Fees in Lieu of Actual Expenditures Therefor)

State License, 23 days @ $6,000 per day	$138,000.00	
Stakes and Purses	249,050.00	
Pari-Mutuels Expenses:		
Salaries and Wages Paid	86,173.00	
Stationery and Printing	11,466.00	
Insurance on Money	1,095.00	
Miscellaneous	2,306.50	
Salaries and Wages paid to Racing Officials and Employes	40,744.50	
Officers' Salaries and Legal Fees—Amount Allowable by the Commission	30,000.00	
Wages paid to Regular Track Employes	18,956.75	
Office Salaries	4,380.00	
Stationery and Printing	4,102.89	

Music	1,919.00	
Services of Pinkerton National Detective Agency	1,925.34	
Services of Lancaster Detective Bureau	11,801.97	
Light, Heat, etc	1,343.90	
Advertising and Publicity Service	9,261.88	
Telephone and Telegraph	898.97	
Insurance Premiums Paid	12,232.46	
Taxes Paid, other than Federal Income Tax	8,752.66	
Professional Services other than Legal	724.28	
Rent of Offices	1,560.00	
Cash "Over and Short" Account	638.84	
Interest on Loans	402.33	
Donations	1,010.00	
Settlement of Nathan Weinstein's claim for injuries sustained at track during windstorm	3,500.00	
Miscellaneous	6,011.45	
Total		$648,257.72
Net taxable revenue for the period before deducting cost of property additions and repairs		$192,066.47
Cost of Property Additions and Repairs:		
Land, Buildings, and Equipment	$52,466.24	
Repairs	45,114.36	
		97,580.60
Net taxable revenue for the period after deducting cost of property additions and repairs		94,485.87
Add Pari-Mutuel tickets outstanding, applicable to the spring and fall meetings, 1921, now credited to surplus		3,028.27
Total Net Revenue Taxable by Commission		$97,514.14

CERTIFICATE.

We have made an examination of the books and accounts of the Southern Maryland Agricultural Association for the period from December 8, 1923, to December 6, 1924, and, subject to the allowance by the Commission of the amounts included in the above statement as officers' salaries and legal fees, and cost of property additions and repairs, to the fact that no provision has been made in the above statement for Federal income tax paid or accrued, and to the acompanying comments.

WE HEREBY CERTIFY that, in our opinion, the above statement of net revenue taxable by the Maryland Racing Commission for the period from December 8, 1923, to December 6, 1924, is correct.

(Signed) HASKINS & SELLS.

Baltimore, December 19, 1924.

Net revenue as shown in the above statement, after new construction and equipment, should not have had deducted $52,466.24, as more than this amount was in the Building Fund at the beginning of the year, and which should be exhausted for these improvements before using 1924 income, and, in addition, the following item has not been allowed as an expense:

Interest on Loans $402.33

Therefore, net income on which 15 per cent. is calculated should be $150,382.71.

DISTRIBUTION OF NET REVENUE.

State Tax of 15 per cent. on net revenue	$22,557.41
Federal income and profits tax for 1924	When ascertained.
Applicable as Dividend to Stockholders (10 per cent. on Capital)	$72,457.16
Set aside for Building Fund	Balance of Net Revenue after above payments.

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